

Message Text

CONFIDENTIAL

PAGE 01 MEXICO 10609 251521Z

ACTION L-03

INFO OCT-01 ISO-00 IO-13 AF-10 ARA-10 EA-07 EUR-12
NEA-10 EB-07 AID-05 TRSE-00 OIC-02 CIAE-00 INR-07
NSAE-00 OMB-01 PM-04 NSC-05 SP-02 SS-15 PRS-01
IGA-02 COME-00 DODE-00 SSO-00 INRE-00 NSCE-00
FTC-01 JUSE-00 USIE-00 H-01 /119 W
-----088187 251529Z /41

O 251520Z JUN 77

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC IMMEDIATE 3120

INFO AMEMBASSY ALGIERS

AMEMBASSY BOGOTA

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY ISLAMABAD

AMEMBASSY KINSHASA

AMEMBASSY LAGOS

AMEMBASSY LONDON

AMEMBASSY OTTAWA

AMEMBASSY OSLO

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

AMEMBASSY TEHRAN

AMEMBASSY TOKYO

AMEMBASSY FREETOWN

USMISSION USUN NEW YORK

USMISSION GENEVA

AMEMBASSY CARACAS

C O N F I D E N T I A L MEXICO 10609

PARIS ALSO FOR OECD

BRUSSELS FOR USEEC

EO 11652: GDS

CONFIDENTIAL

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PAGE 02 MEXICO 10609 251521Z

TAGS: EGEN, EINV, UN, ECOSOC

SUBJECT: INTERNATIONAL AGREEMENT ON ILLICIT PAYMENTS

REF: A) STATE 124538, B) STATE 141773, C) STATE 144233,
D) STATE 145005

1. SCANNING TEXT U.S. PROPOSED DRAFT RESOLUTION (REFTEL

B, AS CORRECTED), SERGIO GONZALEZ GALVEZ (DIRECTOR-IN-CHIEF, INTERNATIONAL AFFAIRS, MINISTRY OF FOREIGN RELATIONS) TOLD E/C COUNSELOR THAT LAST PARAGRAPH TREATING WITH PRIORITY FOR CODE OF CONDUCT FOR TRANS-NATIONAL CORPORATIONS HIT "VERY NERVE OF THE MATTER". IN REPLY TO OUR COUNTER ARGUMENTS PARA 7 REFTEL C, GONZALEZ GALVEZ FOUND CALLING FOR A DIPLOMATIC CONFERENCE ON ILLICIT PAYMENTS AND "GIVING HIGHEST PRIORITY TO TNC CODE" TO BE DIFFERENT ORDER OF MAGNITUDE.

2. GONZALEZ GALVEZ PROPOSED SOME FORM OF LINKAGE BETWEEN ILLICIT PAYMENTS AND WORK ON CODE OF CONDUCT, BUT WAS NOT PREPARED TO BE MORE SPECIFIC. HE SAID GOM CONCERN FOR TNCs WAS BROAD; ILLICIT PAYMENTS WERE BY NO MEANS MOST IMPORTANT ASPECT OF PROBLEM. HE ADDED THAT GOM FOUND INCOMPATIBLE WITH SOVEREIGNTY EFFORTS OF DCS TO BALANCE OBLIGATIONS ON PART OF THE TNCs WITH OBLIGATIONS ON PART OF "NATIONS".

3. GONZALEZ GALVEZ ACKNOWLEDGED THAT USG ABSOLUTELY DEDICATED TO SUCCESSFUL OUTCOME OF EFFORT ON ILLICIT PAYMENTS, BUT MADE NO COMMITMENT ABOUT GOM POSITION. E/C COUNSELOR SAID THAT ASSISTANT SECRETARY IO MAYNES MIGHT WISH TO RAISE TOPIC IN HIS SCHEDULED MEETING WITH GONZALEZ GALVEZ ON MONDAY AND LATTER REPLIED THAT WITH THIS IN MIND HE WOULD REVIEW CAREFULLY TALKING POINT PAPER
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MEXICO 10609 251521Z

(REFTEL C), AS WELL AS SUMMIT LANGUAGE AND PRESIDENT CARTER'S STATEMENT (REFTEL A) WHICH WE LEFT WITH HIM.

4. WE ASKED ALSO IF HE KNEW IF FOREIGN SECRETARY ROEL HAD RAISED THIS ISSUE WITH PRESIDENT LOPEZ PORTILLO AS HE HAD PROMISED TO DO IN CONVERSATIONS IN DEPARTMENT MAY 26. GONZALEZ GALVEZ REPLIED THAT HE DIDN'T THINK SO BUT WOULD REMIND HIM. WE NOTED THAT WE WERE SURE TO BE ASKED TO FOLLOW UP ON THIS IN NEAR FUTURE.

5. EMBASSY COMMENT. IF WE COULD TAKE GONZALEZ GALVEZ'S COMMENTS ENTIRELY AT FACE VALUE, SOME FORM OF LINKAGE BETWEEN PROGRESS ON TNC CODE OF CONDUCT AND ILLICIT PAYMENTS SHOULD REDUCE MEXICO'S RESISTANCE. FAILING THAT, ONLY A MEXICAN PRESIDENTIAL INSTRUCTION WILL TURN GOM POSITION AROUND. THOMPSON

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Message Attributes

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Copy: SINGLE
Sent Date: 25-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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